

Q. Have you settled on a BTU tax?

The President. I answered a very specific question in a photo op. [Laughter]

NOTE: The exchange began at 1:45 p.m. in the Roosevelt Room at the White House.

Address to the Nation on the Economic Program

February 15, 1993

Good evening. I have chosen this day on which we honor two great Presidents to talk with you about the serious problems and the great promise of our country and the absolute necessity for change if we're to secure a better future for ourselves and for our children. On Wednesday evening I'll address the Congress about the specifics of my plan, but first I turn to you for your strength and support, to enlist you in the cause of changing our course.

This is a momentous time for our Nation. We stand at the end of the cold war and on the edge of the 21st century. For two decades we've moved steadily toward a global economy in which we must compete with people around the world, a world which requires us to work hard and smart, a world in which putting people first is more than a political slogan; it's a philosophy of governing and the only path to prosperity.

For 12 years we've followed a very different philosophy. It declared that Government is the problem, that fairness to the middle class is less important than keeping taxes low on the wealthy, that Government can do nothing about our deepest problems: lost jobs, declining wages, increasing inequality, inadequate educational opportunity, and a health care system that costs a fortune but does too little.

During those 12 years as Governor of Arkansas, I followed a very different course, more like what you've done at home and at work. I invested in the future of our people and balanced a State budget with honesty and fairness and without gimmicks. It's just common sense. But in the 26 days I've been your President, I've already learned that here in Washington, common sense isn't too common. And you've paid a lot for that loss of common sense.

The typical middle class family is working harder for less. Despite the talk of a recovery, more than 9 million of our fellow citizens are still out of work. And as this chart indicates, if this were a real, normal recovery, 3 million more Americans would already be back at work by now. In fact, there are more jobless people now than there were at what the experts call the bottom of this recession.

All during this last 12 years the Federal deficit has roared out of control. Look at this: the big tax cuts for the wealthy, the growth in Government spending, and soaring health care costs all caused the Federal deficit to explode. Our debt is now 4 times as big as it was in 1980. That's right. In the last 12 years we piled up 4 times as much debt as in the previous 200.

Now, if all that debt had been invested in strengthening our economy, we'd at least have something to show for our money: more jobs, better educated people, a health care system that works. But as you can see, while the deficit went up, investments in the things that make us stronger and smarter, richer and safer, were neglected: less invested in education, less in our children's future, less in transportation, less in local law enforcement. An awful lot of that money was just wasted.

This matters. When you don't invest in jobs and education and economic opportunity, unemployment goes up and our incomes go down. And when the deficit gets bigger and bigger and bigger, the Government takes more of your money just for interest payments. And then it's harder for you to borrow money for your own business or to afford a new home or to send a child to college.

That's exactly what's been happening. Once our living standards doubled every 25 years. But at the rate we're going today our living standard won't double for another 100 years, until our grandchildren's grandchildren are born. That's too long. We must act now to restore the American dream.

Despite the enormity of this crisis, believe it or not, the status quo still has its defenders, people who point to hopeful statistics, like the recent increase in productivity and

consumer confidence and say we should do nothing. Well, American business has been forced to become more competitive in this global economy. And I'm glad that consumers confidence is up since the election. But we're not generating jobs or making headway on these other long-term problems.

My message to you is clear: The price of doing the same old thing is far higher than the price of change. After all, that's why you sent me here, not to keep this seat warm but to work for fundamental change, to make Washington work for all Americans, not just the special interests, and to chart a course that will enable us to compete and win in this new world.

Here's the challenge I will offer the Congress and the country on Wednesday. We'll invest in our future by nurturing our children and supporting their education, by rewarding work and family, by creating the jobs of the future and training our people to fill them. Our every effort will reflect what President Franklin Roosevelt called bold, persistent experimentation, a willingness to stay with things that work and stop things that don't.

Change must begin at the top. That's why I cut the White House staff by 25 percent and ordered Federal Agencies to cut billions of dollars in administrative costs and to trim 100,000 Federal positions by attrition. And in my budget there will be more than 150 specific cuts in Government spending programs. Then I'll ask the wealthiest Americans to pay their fair share.

That brings us to those of you who gave the most in the 1980's. I had hoped to invest in your future by creating jobs, expanding education, reforming health care, and reducing the debt [deficit]¹ without asking more of you. And I've worked harder than I've ever worked in my life to meet that goal. But I can't because the deficit has increased so much beyond my earlier estimates and beyond even the worst official Government estimates from last year. We just have to face the fact that to make the changes our country needs, more Americans must contribute today so that all Americans can do better tomorrow.

But I can assure you of this: You're not going alone anymore. You're not going first. And you're no longer going to pay more and get less. Seventy percent of the new taxes I'll propose, 70 percent, will be paid by those who make more than \$100,000 a year. And for the first time in more than a decade we're all in this together.

More important, here's the payoff: Our comprehensive plan for economic growth will create millions of long-term, good-paying jobs, including a program to jump-start our economy with another 500,000 jobs in 1993 and 1994. And as we make deep cuts in existing Government programs, we'll make new investments where they'll do the most good: incentives to business to create new jobs; investments in education and training; special efforts for displaced defense workers; a fairer tax system to ensure that parents who work full-time will no longer raise their children in poverty; welfare reform to move people from welfare to work; vaccinations and Head Start opportunities for all children who need them; and a system of affordable quality health care for all Americans.

Our national service plan will throw open the doors of college opportunity to the daughters and sons of the middle class. Then we'll challenge them to give something back to our country as teachers, police officers, community service workers—taking care of our own right here at home. And we'll do it all while reducing our debt [deficit].¹

Change this fundamental will not be easy, nor will it be quick. But at stake is the control of our economic destiny. Within minutes of the time I conclude my address to Congress Wednesday night the special interests will be out in force. Those who profited from the status quo will oppose the changes we seek, the budget cuts, the revenue increases, the new investment priorities. Every step of the way they'll oppose it. Many have already lined the corridors of power with high-priced lobbyists. They are the defenders of decline. And we must be the architects of the future.

I'm confident in our cause because I believe in America, and I know we have learned the hard lessons of the 1980's. This is your country. You demonstrated the power of the people in the last election. I urge you to stay informed and to stay involved. If you're vigi-

¹ *White House correction.*

lant and vocal, we can do what we have to do.

On this President's Day, we recall the many times in our history when past Presidents have challenged this Nation from this office in times of crisis. If you will join with me, we can create an economy in which all Americans work hard and prosper. This is nothing less than a call to arms to restore the vitality of the American dream.

When I was a boy, we had a name for the belief that we should all pull together to build a better, stronger Nation. We called it patriotism. And we still do.

Good night, and God bless America.

NOTE: The President spoke at 9 p.m. from the Oval Office at the White House.

Exchange With Reporters Prior to a Meeting With Democratic Congressional Leaders

February 16, 1993

Economic Program

Q. ———apply it to everyone earning more than \$250,000———

The President. Stay tuned.

Q. ———as has been reported?

Q. Mr. President, Senator Gramm says this isn't contributions from everybody, it's just raw pain.

Q. Which Gramm? [*Laughter*]

The President. I think when you see the whole program it won't be raw pain. I think most middle class Americans, when you look at the cost plus the benefits, are going to be much, much better off. It's a very progressive program. And a lot of the wealthiest American business leaders I've talked to believe that their businesses will be much better off with stable long-term low interest rates and the availability to invest and grow. And they think that the price is a small one compared to the long-term economic health of their own businesses as well as the economy.

Q. Are you going to have a second round of tax increases to pay for health care, as a memo advising your task force——

The President. Tune in.

Q. But will that be necessary——

The President. Depends on how you do it.

Q. Is it harder to cut spending than you thought it would be? Is it more difficult?

The President. We've cut quite a bit of spending. I think it is difficult to justify cutting big health care spending unless it is in the context of providing affordable health care to everybody, because you don't want to do it in a way that's really burdensome on the consumers with health care. The people we help now with Government money in health care are elderly and the poor. So we can control that spending in the years ahead but only in the context of an overall health care program. So if you take health care off the books and you take some of the debt off the books, it's more difficult to get big spending cuts. But I think we've done a pretty good job, and tomorrow night we'll outline it.

Q. How about the question-and-answer session?

The Press. Thank you.

NOTE: The exchange began at 9:50 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to a Meeting With Democratic Congressional Leaders

February 16, 1993

Economic Program

Q. Mr. President, do you think you can get Ross Perot to at least not criticize this economic plan?

The President. I don't know——

Q. Have you been in touch with him or anybody on your staff been in touch with him to try to get him on board?

Q. Do they treat you like this all the time?

The President. Tomorrow night, all the time. [*Laughter*] All the time.

Q. What a job. [*Laughter*]

Q. Mr. President, what——

The President. ———budget practices—it's truth in budgeting, truth in budgeting.